Developing transformative leadership and enhancing relevant competencies of public servants

Summary

Drawing on the experience of the Millennium Development Goals, the authors recall the pivotal role that will be played by public administration in the implementation of the Sustainable Development Goals and the need for effective leadership and competent public servants. Also recalling the notion of the "transformational leader", the authors note that a simple appeal to rewards in exchange for service is unlikely to be sufficient. The 2030 Agenda for Sustainable Development, rather, requires an approach to leadership that emphasizes the needs, values and morals of the public servant, which in turn can inspire individuals to attain higher standards of institutional and personal performance.

In practice, transformational leadership entails sharing a compelling vision, setting behavioural standards and leading by example, challenging the status quo, encouraging people to work collaboratively and raising morale by recognizing contributions and achievements. This leadership style is characterized by sound judgement based on objective understanding, interaction and exchange of knowledge, practical application and the appropriate exercise of political power.

With regard to enhancing competencies, when reforms fall short, it is often owing to inadequate knowledge, skills, abilities and behaviours on the part of public servants. Given the intermediary role of the State and the integrated nature of the Sustainable Development Goals, relational capacity will be an important part of administrative reform and the successful implementation of the 2030 Agenda. Relational capacity refers to the capacity of the State in its intermediary roles in its relations with other governance actors. The State is not insulated from its societal context, but embedded in a relationship, in which different kinds of involvement have the effects of facilitating and enforcing the roles of other governance actors to achieve certain desired policy goals. A number of specific technical competencies will need to be mastered, in particular relating to strategic foresight, evidenced-based policymaking, sociocultural literacy, outcome assessment and accountable discretion, which is discretion subjected to appropriate accountability mechanisms. The main mechanisms for doing so include training, integrated human resources management, the balancing of political and merit-based appointments in the civil service and embedded public ethics.

I. Introduction

1. The Secretary-General categorized the 2030 Agenda for Sustainable Development as a promise by leaders to all people everywhere, an agenda for people, to end poverty in all its forms, and for the planet, our common home. The 2030 Agenda contains 17 Sustainable Development Goals and 169 targets to eradicate poverty, fight inequality and tackle climate change, over the next 15 years.

2. The Millennium Development Goals helped to lift more than 1 billion people out of extreme poverty, make inroads in the fight against hunger, enable more girls to attend school than ever before and protect our planet. They generated new and innovative partnerships, galvanized public opinion and demonstrated the immense value of setting ambitious goals. The Goals put people and their immediate needs at the centre of focus.

3. For all the remarkable gains, however, inequalities persist and progress has been uneven. The world's poor remain overwhelmingly concentrated in some parts of the world. In 2011, nearly 60 per cent of the world's 1 billion extremely poor people lived in just five countries.[1] The new Sustainable Development Goals build on the Millennium Development Goals and go much further, addressing the root causes of poverty and the universal need for development that works for all people and recognizing the importance of effective and accountable institutions for sustainable development.

4. Strengthening data production and the use of better data in policymaking and monitoring are becoming increasingly recognized as fundamental enablers of development. The monitoring of the Millennium Development Goals showed that data is indispensable to development. Better data are needed for the 2030 Agenda. Strong political commitment and significantly increased resources will be needed to meet the data demand for the new development agenda.[1]

5. The role of public administration has been vital for the successful and smooth implementation of the Millennium Development Goals. Furthermore, the role of national and local governments was pivotal in implementing the Millennium Development Goals.[2] The need for closer cooperation between government, the private sector and non-governmental organizations has been well established.

6. The United Nations needs to support countries in three different ways, as reflected in the mainstreaming, acceleration and policy support approach. Support to Governments is needed in order to reflect the new global agenda in national development plans and policies for mainstreaming the Sustainable Development Goals. This work is already under way in many countries, at their request. The United Nations can support countries in accelerating progress towards the achievement of the Sustainable Development Goals targets by making use of its extensive experience over the past five years with the Millennium Development Goals acceleration framework. The approach calls for policy expertise on

[1] United Nations, *The Millennium Development Goals Report 2015* (New York, 2015).

[2] United Nations Capital Development Fund, "Pursuing the Millennium Development Goals through local government: thematic annex", paper prepared for the Global Forum on Local Development, Kampala, Uganda, October 2010. Available from uncdf.org/gfld/docs/thematic-annex.pdf.

sustainable development and governance to be made available to governments at all stages of implementation.[1]

7. Drawing from lessons learned from the Millennium Development Goals, there are compelling reasons for involving public administration in the 2030 Agenda, including in the area of leadership on public policy reform and public management.

II. Transformational leadership for the Sustainable Development Goals

8. The academic debate on leadership shifted dramatically in the late 1970s, with the publication of a seminal book on the subject by scholar James MacGregor Burns.[3] According to Mr. Burns, leadership can be either transactional or transformational. Transactional leaders exchange tangible rewards for the loyalty and work of their followers. Transformational leaders engage with their followers in an effort to improve awareness of the significance of the specific outcomes to be achieved.[4]

9. The academic debate on leadership was further developed in the 1990s by American academic Bernard Bass, who extended Mr. Burns' conception of transformational leadership.[5] Mr. Bass, together with Bruce Avolio, elaborated four key features of transformational leadership.[6]

10. Mr. Burns and Mr. Avolio argued that transformational leadership is characterized by consideration of the individual. Leaders act as coaches or mentors and listen to their followers' needs and concerns, keeping open communication with them. Leaders appreciate and respect the individual contribution that each follower makes to the team, thus engendering an inherent motivation for carrying out assignments.

11. Intellectual stimulation is the second feature. Leaders develop and nurture their followers by stimulating and encouraging innovative ways of thinking and acting. A commitment to learning is an important attribute that enables followers to figure out better ways to achieve team goals.

12. Inspirational motivation in the third feature of transformational leaders, who are capable of communicating an inspiring and compelling vision to their followers. If leaders want their followers to be motivated to act, they need to create high

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[3] See James MacGregor Burns, *Leadership*, (New York, Harper and Row, 1978).

[4] Kerry Barnett, John McCormick and Robert Conners, "Transformational leadership in schools: panacea, placebo or problem?", *Journal of Educational Administration*, vol. 39, No. 1 (2001); Philip L. Cox, "Transformational leadership: a success story at Cornell University", proceedings of the Association for Tertiary Education Management/Association of Public Personnel Administrators Conference, Canberra, 2001. Available from http://pandora.nla.gov.au/pan/10533/20011221-0000/www.anu.edu.au/facilities/atem-aappa/papers-keynote.html; Zvi D. Gellis, "Social work perceptions of transformational and transactional leadership in health care", *Social Work Research*, vol. 25, No. 1 (2001); Desmond Griffin, "Transformational leadership", 2003. Available from http://desgriffin.com/leadership/transform/; Timothy A. Judge and Ronald F. Piccolo, "Transformational and transactional leadership: a meta-analytic test of their relative validity", *Journal of Applied Psychology*, vol. 89, No. 5 (2004).

[5] Judge and Picollo, "Transformational and transactional leadership" (see footnote 4).

[6] See Bernard M. Bass and Bruce J. Avolio, "Developing transformational leadership: 1992 and beyond", *Journal of European Industrial Training*, vol. 14, No. 5 (1990). Available from http://dx.doi.org/10.1108/03090599010135122.

standards, imbue tasks with meaning and communicate optimism regarding future objectives. To make the vision understandable, engaging and powerful, leaders must draw on excellent communication skills. If followers are optimistic about the future, they are willing to invest more effort and do more to accomplish tasks.

13. Moral influence is an important fourth feature of leaders, who should lead an exemplary life characterized by trustworthiness, ethical behaviour and respect.

14. Transformational leadership is essential to development. Leadership is essential for all types of organizations to operate at their maximum effectiveness.[7] Transformational leadership is needed for the implementation of the 2030 Agenda, given that it emphasizes the needs, values and morals of followers. Transformational leadership involves motivating people to adopt higher standards.[8] It also entails motivating followers to set aside personal interests for the good of the team, organization or community.[8]

15. Transformational leadership is grounded in morals, which makes it distinct from other approaches to leadership.[9] The use of force cannot be regarded as a characteristic of transformational leadership, from an ethical point of view.

16. The transformational approach goes beyond other forms of leadership. Many leadership models focus on what the leaders exchange in return for an achievable goal and how they go about it, known as the transactional process. The transformational approach gives a broad picture of leadership that comprises not only rewards but also a regard by leaders for the needs and well-being of the followers.[10]

17. Transformational leadership treats leadership as a process involving both leaders and followers. Because this process incorporates the needs of followers and leaders, leadership is not just the personal responsibility of the leader. It arises from the interaction between leaders and followers. The need to involve others is at the core of the transformational leadership model.[11]

18. Transformational leaders have a number of character traits in common, which distinguish them from transactional leaders.[12] First, they view themselves as agents of change. They strive to make a difference and to transform organizations under their responsibility. They are capable of dealing with resistance, taking risks and confronting reality. They believe in the people they lead. They are driven by a strong set of values. They continue to learn and are lifelong learners. They can

[7] Alex Brillantes, "Accountable, responsive and inclusive governance", paper presented in the National workshop of governance stakeholders, Mandaluyong City, Philippines, 2013.

[8] Jane M. Howell and Bruce J. Avolio, "Transformational leadership, transactional leadership, locus of control, and support for innovation: key predictors of consolidated-business-unit performance", *Journal of Applied Psychology*, vol. 78, No. 6 (December 1993). Available from http://dx.doi.org/10.1037/0021-9010.78.6.891; Boas Shamir, Robert J. House and Michael B. Arthur, "The motivational effects of charismatic leadership: a self-concept based theory", *Organization Science*, vol. 4, No. 4 (1 November 1993).

[9] Bruce J. Avolio, *Full Leadership Development: Building the Vital Forces in Organizations* (Thousand Oaks, California, Sage Publications, 1999).

[10] Avolio, *Full Leadership Development* (see footnote 9); Bernard M. Bass, *Leadership and Performance Beyond Expectations* (New York, Free Press, 1985).

[11] Alan Bryman, *Charisma and Leadership in Organizations* (London, Sage Publications, 1992).

[12] Noel M. Tichy and Mary Anne Devanna, *The Transformational Leader* (New York, Wiley, 1986). They made the conclusion after observing a number of transformational leaders who practise this kind of leadership, including Jack Welch, John Harvey-Jones, and Lee Iacocca.

overcome problems in managing complexity, uncertainty and ambiguity. Most are visionaries. Transformational leaders are also known as people who initiate significant changes in the organizations with which they are associated.[13]

19. The transformational leadership model has a number of drawbacks. One criticism is that it lacks conceptual clarity. It includes many activities and characteristics, including creating a vision and motivating people to become agents of change, build confidence, provide support and act as social architects. All of this renders it difficult to define the exact parameters of transformational leadership.

20. In their research, J. Bruce Tracey and Timothy R. Hinkin found that the parameters of transformational leadership often overlap with similar conceptualizations of leadership.[14] Alan Bryman,[11] for example, states that transformational and charismatic leadership are often treated as the same, although, in a number of models of leadership,[15] charisma is just one component of transformational leadership.

21. Another criticism is that the transformational model treats leadership as a matter of personality or personal preference, not as a behaviour that can be learned.[11] Transformational leadership is also criticized as being elitist and anti-democratic.[11]

22. In their book, James M. Kouzes and Barry Z. Posner present a notable model of five practices of exemplary leadership. The practices reflect a set of issues that the transformational leader needs to take into account.[16] The first practice is the sharing of an inspiring vision. Transformational leaders believe they can make changes and that they can realize their unique and ideal image of the organization in the future. They live according to their visions and invite people to envision interesting possibilities for the future.

23. The second practice is creating a prototypical path. Such leaders establish the foundations for how people should be treated and goals should be achieved. They set high standards and then lead by example. The third practice is challenging the status quo. Transformational leaders seek approaches that are outside of the box in order to strengthen the organization. These leaders fully comprehend that mistakes and failures are integral parts of the risk-taking approach and accept disappointment as part of the learning process.

24. The fourth practice is encouraging people to act. Leaders enable spirited teams and strengthen collaboration. They understand that extraordinary efforts will only be sustained on the basis of mutual respect. Leaders make each person feel powerful and capable. They create an atmosphere of human dignity and trust. The fifth practice is reassuring the spirit. They treat people like heroes by celebrating their accomplishments. Since people need to feel appreciated for their efforts, transformational leaders recognize the contributions that individuals make.[17]

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[13] Griffin, "Transformational leadership" (see footnote 4).

[14] J. Bruce Tracey and Timothy R. Hinkin, "Transformational leadership or effective managerial practices?", *Group and Organization Management*, vol. 23, No. 3 (1998).

[15] See Bass, *Leadership and Performance Beyond Expectations* (see footnote 10).

[16] James M. Kouzes and Barry Z. Posner, *The Leadership Challenge: How to Make Extraordinary Things Happen in Organizations*, 5th ed. (San Francisco, California, Jossey-Bass, 2012).

[17] See "The leadership challenge", available from www.leadershipchallenge.com/About-section-Our-Approach.aspx.

25. Similar requirements for developing transformational leadership have been proposed by other scholars in this field. In his research, Bernard M. Bass found that the key requirements for a transformational leader include: (i) establishing an exciting vision of the future; (ii) inspiring people to join in and deliver the vision; (iii) guiding enactment of the vision; (iv) establishing a strong relationship based on trust with all team members.[18]

26. In his book, Gary A. Yukl also suggested the following practical ideas with regard to transformational leadership some two decades ago: (a) establishing a challenging and appealing vision with all team members; (b) tying the vision to a strategy for its achievement; (c) setting the vision and translating it into action; (d) showing decisiveness, confidence and optimism about the vision and its realization; (e) achieving the vision through the planning of smaller steps and successes towards its full implementation.[19]

Transformational leadership as sound judgement

27. Transformational leaders rely on the ability to translate their wisdom into practical applications so as to persuade others to work towards achieving shared goals. In the context of development, the Sustainable Development Goals have become an avenue of knowledge dynamism, on the basis of the specific context of each country, including, in particular, in public sector organizations. For example, with regard to Goal 10, the public sectors of countries of the Association of Southeast Asian Nations (ASEAN) have identified various definitions, indicators and measurements of inequality. Such phronesis, or use of practical wisdom, which is ongoing in Indonesia, Thailand, the Philippines and other South-East Asian countries, enables tacit knowledge to be transformed into explicit understanding, thus aligning values with practice such that different conceptualizations of inequality are addressed within specific contexts. Only in this way can the universal 2030 Agenda be realized in practice.

28. According to Ikujiro Nonaka and Hirotaka Takeuchi, the phronetic leader has six abilities, which can help advance the Sustainable Development Goals.[20] First, such leaders have an objective understanding, derived from universal knowledge in combination with subjective perception based on experience. With this understanding, they are able to respond with sound judgement as to what is appropriate in a given context and organizational setting in the pursuit of a Goal-related mandate.

29. Second, such leaders create a shared space and sphere of interaction among development partners so as to foster the timely exchange of knowledge. Third, such leaders also anticipate future challenges and can envision a way to realize objectives in partnership with other actors, including with respect to the Sustainable Development Goals, which call for continued efforts over the long term.

30. Fourth, such leaders articulate these envisioned efforts in well-defined operational terms. It is well noted that many ideals remain unrealized unless leaders

[18] Bass, Leadership and Performance Beyond Expectations (see footnote 10).

[19] Gary A. Yukl, *Leadership in Organizations*, 3rd ed. (Englewood Cliffs, New Jersey, Prentice Hall, 1994).

[20] Ikujiro Nonaka and Hirotaka Takeuchi, "The big idea: the wise leader", *Harvard Business Review* (May 2011).

articulate them in an appropriate manner. Fifth, with regard to the exercise of political power, phronetic leaders, according to the present understanding, are able to persuade others to collaborate and share knowledge with each other so as to enable meaningful the implementation and achievement of sound results. This ability also suggests the sixth ability: to foster phronesis itself.

31. This concept of leadership has similarities to the indigenous traditions of *musyawarah* and *gotong-royong*, terms in Bahasa Indonesia that refer to collective decision-making and action based on societal modalities of knowledge, which continue to be practiced by some local and national leaders in South-East Asia.[21]

III. The role of competent public servants

32. The role of the public servant is central to reforms aimed at socioeconomic development, especially when issues of inequality are concerned.[22] Reforms often fall short, owing to inadequate competencies to design and implement the reforms that matter most in complex situations.[23] Moreover, any process leading up to a decision, and then the implementation of meaningful reform, requires collaboration between transformative leaders and capable public servants. The interface between politics and bureaucracy is an important factor in the success of reform and development.[24]

33. When complex politics and governance intersect with the Sustainable Development Goals, the role of the public servant only increases in importance, in particular when there is a redistribution of the functions of government to a range of committed governance actors.[25]

34. Innovation-driven policy processes are especially important for economic growth and development (see E/C.16/2015/4). Political leaders and public servants

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[21] For many of these examples in Indonesia, see Eko Prasojo and Defny Holidin, "Leadership and management development in Asian countries: general overview of case studies in Indonesia", policy paper (Tokyo, National Graduate Institute for Policy Studies, 2015).

[22] David Schultz, "The end of government", *Journal of Public Affairs Education*, vol. 21, No. 2 (Spring 2015); Hal Hill, "The political economy of policy reform: insights from Southeast Asia", *Asian Development Review*, vol. 30, No. 1 (2013); M. Jae Moon and Changho Hwang, "The state of civil service systems in the Asia-Pacific region: a comparative perspective", *Review of Public Personnel Administration*, vol. 33, No. 2 (June 2013); Klaus J. Brösamle, "Civil service reform in developing countries: we do not really know what we are doing", Hertie School of Governance, August 2012; Evan M. Berman, ed., *Public Administration in Southeast Asia: Thailand, Philippines, Malaysia, Hong Kong, and Macao* (Boca Raton, Florida, CRC Press, 2010); Eko Prasojo, *Reformasi Kedua: Melanjutkan Estafet Reformasi* (Jakarta, Indonesia, Penerbit Salemba, 2009).

[23] Joel D. Aberbach and Tom Christensen, "Why reforms so often disappoint", *American Review of Public Administration*, vol. 44, No. 1 (2014). Available from http://arp.sagepub.com/content/44/1/3.full.pdf+html. See also Brösamle, "Civil service reform in developing countries" (see footnote 22); Prasojo, *Reformasi Kedua* (see footnote 22).

[24] Niheer Dasandi, "The Political-Bureaucratic Interface in Developing Countries: Characteristics, Determinants, and Impact on Reform", UNDP GCPSE (Global Centre for Public Service Excellence) (Singapore, 2014). Christopher Pollit and Geert Bouckaert, *Public Management Reform: A Comparative Analysis — NPM, Governance, and the Neo-Weberian State*, 3rd ed. (Oxford, Oxford University Press, 2011). Zoë Scott, "Evaluation of public sector governance reforms: 2001-2011 — Literature Review" (Oxford, Oxford Policy Management, 2011).

[25] Janet V. Denhardt and Robert B. Denhardt, *The New Public Service: Expanded Edition — Serving, Not Steering* (New York, M. E. Sharpe, 2007).

should not be insulated from other governance actors or maintain autonomous positions in policy development processes.[26] Given that innovation drives evolutionary changes, "punctured by political, legal, institutional, and administrative constraints",[27] a primary role of the competent public servant is to facilitate complementary interaction among governance actors.[28] Complementary interaction requires relational capacity that goes along with co-creation engendered by transformative leadership. Relational capacity is an essential part of administrative reform and the successful implementation of the Sustainable Development Goals, and the need for it underscores the strategic importance of public servants.

35. Relational capacity can also be understood in terms of the intermediary role of the State, a concept rooted in the Hegelian and Weberian perspectives of bureaucracy. It has a similar meaning to collaborations among actors in democratic governance, advocated by Janet V. Denhardt and Robert B. Denhardt.[25] The intermediary role reinforces the neutrality of public servants in articulating the demands and aspirations of the general public to the government. Public servants translate desired policy goals into reality, as appropriate and within the specific context of the community. For example, the intermediary role is a primary feature of the "One Malaysia" policy, which is designed to overcome persistent ethnic-based discrimination[29] and assist the professional public service of Singapore to drive economic development.[30]

36. South-East Asian countries were able to achieve the Millennium Development Goals to varying degrees. Shortcomings may be attributed in part to a gap between the public sector competencies that were needed to promote collaborative efforts in the pursuit of development and the actual capacity. Public servants are able to pursue the Sustainable Development Goals through their intermediary roles, and the specific administrative techniques of planning, strategic management, problem solving, and efficiency in resource allocation are well known. The lessons learned from the experience of the Millennium Development Goals suggests, however, that it will be essential to identify the specific competencies needed to implement the Sustainable Development Goals and make sure they are widely available in the public sector.

37. The present paper identifies the following five competencies, each encompassing necessary expertise, skills and attitudes: strategic foresight and

[26] Richard F. Doner, Bryan K. Ritchie and Dan Slater, "Systemic vulnerability and the origins of developmental States: Northeast and Southeast Asia in comparative perspective", *International Organization*, vol. 59 (Spring 2005). Available from http://home.uchicago.edu/~slater/files/Doner-Ritchie-Slater2005; Peter Evans, *Embedded Autonomy: States and Industrial Transformation* (Princeton, New Jersey, Princeton University Press, 1995).

[27] Rainer Kattel and others, "Can we measure public sector innovation? A literature review", Learning from Innovation in Public Sector Environments Project Paper (Tallinn, Ragnar Nurske School of Innovation and Governance, 2013). Available from http://www.lipse.org/userfiles/uploads/kattel%20et%20al%20egpa%20version.pdf.

[28] Prasojo, *Reformasi Kedua*; Simon Springer, "Renewed authoritarianism in Southeast Asia: undermining democracy through neoliberal reform", *Asia Pacific Viewpoint*, vol. 50, No. 3 (December 2009); Alexander Ebner, "Institutional evolution and the political economy of governance", in *The Institutions of the Market: Organizations, Social Systems, and Governance*, Alexander Ebner and Nikolaus Beck, eds. (Oxford, Oxford University Press, 2008); Denhardt and Denhardt, *The New Public Service* (see footnote 25); Georg Sørensen, *The Transformation of the State: Beyond the Myth of Retreat* (New York, Palgrave Macmillan, 2004).

[29] Kuan Heong Woo, "Recruitment practices in the Malaysian public sector: innovations or political responses", *Journal of Public Affairs Education*, vol. 21, No. 2 (2015): 229-246.

[30] Springer, "Renewed authoritarianism in Southeast Asia" (see footnote 28).

innovativeness, adaptive and evidence-based policymaking, socioculturally literate negotiations, outcome assessment and accountable discretion.

Strategic foresight and innovativeness

38. Since the Sustainable Development Goals require attention to long-term development in many areas, public servants should master the techniques of long-term strategic foresight. Civil service and administrative reform initiatives are essential features of the strategic plans of many countries. The main challenge is to translate strategic foresight into policies that conform to the ideals of the Sustainable Development Goals. For this reason, public servants need to be able to improve the content and implementation of policies in an innovative and collaborative manner. This competency entails the ability to integrate the knowledge of various governance actors and promote learning with a view to responding to uncertainties in adaptive ways.

39. In the context of restructuring of governance, the ability to learn, which characterizes phronetic leadership, implies a change in relationships among governance actors. These relationships are connected with formal and informal rules, themselves a reflection of bargaining positions. In such circumstances, the relationship between the State and others is modified by institutional mechanisms through which governance actors make policy decisions and choices with a view to enhancing performance.[31]

Adaptive and evidence-based policymaking

40. Since strategic foresight takes future possibilities into account, public servants also need to make sure that scenario planning is relevant to the current situation. The past and the foresighted future must be taken into account in scenario planning. The current state of affairs has its roots in the past. Anything that happens in the future is linked to, and will be a consequence of, current conditions and situations.

41. In order to give more precise consideration to the current state as a basis for anticipating the future, public servants need to enhance their competencies in evidence-based policymaking. When strong evidence underpins policy, alternate solutions and different mitigation routes may be more apparent, should unexpected events occur.

42. Evidence-based policy thus becomes the basis for government adaptability in the face of challenges.

43. The vital importance of adaptive and evidence-based policymaking becomes apparent when looking at the root cause of policy defects in international organizations. For example, World Bank assistance to developing countries in civil service reform, in the period between 1999 and 2006, had a success rate of below 45 per cent.[32] The civil service reform packages in question do not seem to have

[31] This logic is borrowed from Robert H. Bates, "The new institutionalism: the work of Douglas North", available from http://scholar.harvard.edu/rbates/publications/new-institutionalism-work-douglas-north; for another insight, see also, Ali Farazmand, ed., *Sound Governance: Policy and Administrative Innovations* (Westport, Connecticut, Praeger Publishers, 2004).

[32] World Bank, *Public Sector Reform: What Works and Why?* (Washington, D.C., 2008).

been based on sufficient evidence. Such shortcomings are often attributable to a lack of knowledge of what the empirical problems are.[33]

44. Evidence-based policymaking is also a function of democratic governance. Where deliberative policy processes are the norm, there is no way that a policy can enjoy widespread public support unless it is based on the actual conditions in society, reflects the aspirations of those affected and draws on their own knowledge from the beginning of the policy process. Evidenced-based policymaking is consistent both with central planning, as found in Singapore, and with "developmentalism", in which the State is given the leading role in promoting industrialization as a priority over other economic development goals, as seen in some East Asian countries.

45. A focus on evidence furthermore drives openness through communication, including in negotiations, problem-solving and information-sharing, which occur early on in the policy process as precursors to decision-making. Such iterative processes and dynamics, involving interaction between the government and other governance actors within the context of institutional change, lead to improved government performance.[34]

Socioculturally literate negotiations

46. The shift from a hierarchical to a deliberative mode of coordination is pivotal to strengthening consensus-based policy processes. The competency of public servants to negotiate among governance actors plays a significant part of their intermediary role. Consider the issue of inequality, which is of substantial concern both to developing and developed countries and a core component of the Sustainable Development Goals. The achievement of equal rights, equal access to public services and well-being for all could be perceived as a threat to those seeking maximum gain for themselves at others' expense. The competent public servant should, however, be able to facilitate win-win solutions that lead to greater equality and well-being on the part of disadvantaged people, as well as increased returns for the wealthy.

47. Reliable evidence acquired by public servants constitutes a significant input to the negotiation competency but the unpacking of evidence for use by other governance actors is no less important. This calls for a phronetic approach in order to deal with the sociocultural aspects of negotiation, in particular in societies that are strongly heterogeneous. In Indonesia, where people of some 300 ethnicities reside on more than 13,000 islands, a "yes" signal in one culture may be read as a "no" in others. Public servants are acknowledged as capable negotiators if they possess a sociocultural literacy that enables them to act as a moderating influence, such as between diverse religious or patrimonial interests. Local wisdom and values can also play a role in knowledge creation, such as a cultural proclivity for collegiality with regard to achieving a desired goal or leadership by example.

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[33] Brösamle, "Civil service reform in developing countries" (see footnote 22).

[34] Matt Andrew, Lant Pritchett, and Michael Woolcock, "Escaping capability traps through problem-driven iterative adaptation", Working Paper, No. 299 (Boston, Massachusetts, Harvard University, June 2012); C. R. Hinings and Namrata Malhotra, "Change in institutional fields", in *The Institutions of the Market: Organizations, Social Systems, and Governance*, Alexander Ebner and Nikalous Beck, eds. (Oxford, Oxford University Press, 2008); Farazmand, *Sound Governance* (see footnote 31).

Outcome assessment

48. Diffusion of strategic foresight, the use of evidence and the ability to negotiate will all affect the extent to which the Sustainable Development Goals are achieved. In addition, outcome-related competencies, such as performance measurement and impact assessment, will be essential. Countries in Asia and the Pacific attempted a performance-oriented management structure and have linked it to the whole reform agenda.[35] In the South-East Asian region, Singapore has undertaken goal-based learning in its policies and working methods for more than a decade.[36] Since 2011, Indonesia has employed a balanced scorecard to track key performance indicators and, more recently, has begun to use regulatory impact assessment. Malaysia has successfully introduced regulatory impact analysis in an institutional setting.[37] In Thailand, results-based management has been deployed as a tool for evaluation within the public sector as an integral part of the country's strategic plan for public sector development.[38]

49. The use of sophisticated performance appraisal and impact assessment tools does not necessarily correlate with the achievement of desired outcomes.[39] To avoid potential pitfalls, the competent public servant should learn from the experiences of other countries and deploy performance management and regulatory impact analysis in a strategic and integrated manner.

Accountable discretion

50. Political and administrative systems vary among countries. Problems arise when regulatory frameworks that are considered models and standards that are derived from best practices are applied in countries with political and administrative systems that are incompatible with such frameworks and standards and lead to unintended consequences. Such consequences can have an impact both on the implementation of sustainable development policies and the enforcement of administrative law. Results may be particularly uncertain in the context of an evolving political and administrative environment. For example, whereas common legal reforms have been introduced into the civil service of a number of countries, corruption and nepotism remain in the system, contrary to expectations.[40]

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[35] Moon and Hwang, "The state of civil service systems in the Asia-Pacific region" (see footnote 22).

[36] Gambhir Bhatta, "Building human resource competencies and the training environment in Singapore's public service", *Research and Practice in Human Resource Management*, vol. 8, No. 2 (2000). Available from https://rphrm.curtin.edu.au/2000/issue2/competencies.

[37] OECD, *Implementing Good Regulatory Practice in Malaysia* (Paris, OECD Publishing, 2015). Available from http://dx.doi.org/10.1787/9789264230620-en.

[38] Suchitra Punyaratabandhu and Daniel H. Unger, "Managing performance in a context of political clientelism: the case of Thailand", in *The Many Faces of Public Management Reform in the Asia-Pacific Region: Research in Public Policy Analysis and Management*, vol. 18, Clay Wescott, Bidhya Bowornwathana and Lawrence R. Jones, eds. (Bingley, United Kingdom of Great Britain and Northern Ireland, Emerald Group Publishing, 2009).

[39] John Lavelle, "Public services human resources management policies and practices: trends and challenges for human resources management in the broader public sector in the international arena", paper presented at the African Association of Public Administration and Management round-table conference, Durban, South Africa, November 2010.

[40] Moon and Hwang, "The state of civil service systems in the Asia-Pacific region" (see footnote 22). Berman, *Public Administration in Southeast Asia* (see footnote 22).

51. Under conditions such as these, public servants need to be able to exercise discretion in the performance of their duties. By acquiring the discretionary competency, they would not only be able to remain in compliance with the law, in which the logic of governance is rooted,[41] they would also be able to respond to bureaucratic pathologies such as attempts to use institutional loopholes for corrupt purposes.[42]

52. At the same time, discretionary authority must be subject to appropriate accountability mechanisms. Reforms in South-East Asian countries, for instance, their intentions notwithstanding have not always manifested themselves in an appropriate manner. Sometimes rules and regulations have yielded greater benefits to rent-seeking public officials, as enforcers of the law, than they have to the average citizen.

IV. Challenges in achieving policy integration in support of the Sustainable Development Goals

53. Many policies have failed to achieve significant progress because the roles and competencies of public servants are not adequate for charting an effective course of implementation. Building the appropriate know-how and competencies among public servants is essential to successful policy implementation.

54. In order to enhance the relevant competencies of public servants, developing the appropriate human resources capacity for implementing the Sustainable Development Goals should be made a priority of public sector reform. Given that such reforms should continue over time and be responsive to changes in information and communications technology, a commitment to continuous learning is essential. There are four main ways in which sustained reform and continuous learning can become the main means of enhancing the relevant competencies of public servants in pursuit of the Sustainable Development Goals: (a) customized training; (b) integrated human resources management; (c) balanced politicization and meritocracy; and (d) embedded public ethics.

Customized training

55. Training is the most common way of cultivating the desired competencies of public servants. There are many sophisticated training methods that have been borrowed from practices in the private sector. Recent evaluations have found, however, that there can be a mismatch between the training that is provided and the specific context of institutions, in particular with regard to the need to situate participants and their learning within the context of a public sector reform agenda.[43] The mismatch becomes more pronounced when cultural aspects of organizations in some countries are factored in. Techniques like "360-degree feedback" often do not

[41] Carolyn J. Heinrich, Carolyn J. Hill and Laurence E. Lynn, Jr., "Governance as an organizing theme for empirical research", in *The Art of Governance: Analysing Management and Administration*, Patricia W. Ingraham and Laurence E. Lynn, Jr., eds. (Washington, D.C., Georgetown University Press, 2004).

[42] Clay Wescott, Bidhya Bowornwathana and Lawrence R. Jones, eds., *The Many Faces of Public Management Reform in the Asia-Pacific Region, Research in Public Policy Analysis and Management*, vol. 18, (Bingley, United Kingdom, Emerald Group Publishing, 2009).

[43] Brōsamle, "Civil service reform in developing countries" (see footnote 22).

work in a country where a culture of collectivism largely informs the way in which public servants provide feedback to one another. Similarly, engaging with staff in public organizations in these countries may result in a "halo effect", wherein negative feedback is avoided with a view to maintaining harmonious relationships and showing respect for authority rather than performance improvement.[22]

56. South-East Asian countries rely on formal education and examination results as the basis for the recruitment and promotion of public servants. In Singapore, obtaining a master's degree in public administration and public policy, preferably from a well-regarded university, is encouraged for top officials and other public servants. In middle-income countries, such as Indonesia, Malaysia, the Philippines and Thailand, the availability of programmes for overseas study for public servants underscores just how much emphasis is placed on training in the South-East Asian region. Other countries, such as Cambodia and Viet Nam, may not require specific educational levels for civil service employment.[44] Formal education and training do not necessarily lead to full attainment of the competencies required for national development and the effective support of a reform agenda.[45]

57. Customization is a key feature of training in contemporary human resources management strategies. The experience of South-East Asian countries demonstrates that a number of methods can be followed to customize training to the specific context of a public organization. Goal-based learning has long been practiced in Singapore as a way of enhancing the competencies of public servants through solid practical experience and a strong orientation towards policy goals.[36] Whereas learning by doing has become an increasingly common practice in many countries, Singaporean public servants' competencies are enhanced through enriched exposure to lessons learned, including from failure and other experiences.[46] In Indonesia, practical training is tailored in the form of learning by doing that is supervised by multiple professionals and high-calibre officials under the auspices of the Government's reform leader academy and improved leadership training programme. The training involves having participants solve relevant policy problems at their own pace.

58. Combining vertical and horizontal customization in learning would also benefit public servants. The balanced scorecard technique practiced in Indonesia, Malaysia and Singapore has provided a mechanism of vertical customization allowing public servants to cascade reform ideas by means of key performance indicators. The cascading process can promote civil service reform and induce vertical customization in government, such as from the deputy minister or director general level to the officer level. Some countries have also found it helpful to promote learning from others through internships. This could be considered a form of horizontal customization of training through experiential learning among public organizations.

59. A central issue in training is the transferability of skills. A public servant who acquires new skills from a different workplace may find it difficult to apply what

[44] Moon and Hwang, "The state of civil service systems in the Asia-Pacific region" (see footnote 22).

[45] George A. Krause, David E. Lewis and James W. Douglas, "Political appointments, civil service systems, and bureaucratic competence: organizational balancing and executive branch revenue forecasts in the American states", *American Journal of Political Science*, vol. 50, No. 3 (July 2006).

[46] Jeffrey Yip and Meena Wilson, "Developing public service leaders in Singapore" (Singapore, Centre for Creative Leadership, 2008). Available from www.experiencedrivendevelopment.com/wp-content/uploads/2013/11/LOE-Singapore.

has been learned at a self-guided pace and in suitable ways. When a country decides to run an internship programme, it should therefore advise participants before the programme begins that they should consider taking lessons learned back into the workplace, facilitating knowledge-sharing among supervisors throughout the programme and fostering discussions between programme participants and supervisors on how to incorporate lessons learned into the working environment.

Integrated human resources management

60. There is a strong indication that countries are aware that staff selection is an important phase in recruitment and determines the whole process of human resources management.[47] When it comes to reform, however, all functions of human resources management are interdependent and strategically significant not only in relation to developing the competencies of public servants, but also in the performance of public organizations and their ability to implement a reform agenda geared towards achieving the Sustainable Development Goals. This idea can be traced back to the notion of systems thinking[48] and the widely acknowledged benefits that can accrue from such thinking in the enhancement of competencies of public servants.[49]

61. Integrated human resources management entails a systemic rearrangement towards consolidated, coherent and synchronized subsystems. Where sustainable reform and development are concerned, these efforts go beyond conventional organizational values, such as effectiveness, efficiency and equity, and extend into strategic arrangements that lend themselves to the attainment of strategic goals themselves. Thus, applying integrated human resources management involves transforming one function into another in a systemic way.

62. The competency-based framework applied in Malaysia, which is similar to the one in Singapore, provides an example of how integrated human resources management works in practice. The framework comprises staff recruitment and selection, placement, development, compensation, performance measurement and retirement, all as an integrated system. Where such a framework is absent, distortions appear. Merit-based, open and competitive recruitment and selection processes are followed in Cambodia, Indonesia, the Philippines and Thailand.[50] However, when the competitive mechanism is not applied or in the absence of an adequate compensation scheme, corruption and patronage may coexist with ongoing reform efforts.

63. Whereas competitive salaries and remuneration schemes are not on their own sufficient for preventing corruption, it is apparent that insufficient salaries make public administration more vulnerable. Poor salaries and remuneration, and the

[47] Moon and Hwang, "The state of civil service systems in the Asia-Pacific region" (see footnote 22). Berman, *Public Administration in Southeast Asia* (see footnote 22). Pan Suk Kim, ed., *Civil Service Systems and Civil Service Reforms in ASEAN Member Countries and Korea* (Seoul, Daeyoung Moonhwasa Publishing, 2010).

[48] Peter M. Senge, *The Fifth Discipline: The Art and Practice of the Learning Organization* (New York, Doubleday, 1990).

[49] Mesut Akdere, "Quality management approach through human resources: an integrated approach to performance improvement", *The Business Review, Cambridge*, vol. 5, No. 2 (Summer 2006).

[50] Moon and Hwang, "The state of civil service systems in the Asia-Pacific region" (see footnote 22).

absence of merit-based selection, also make it very difficult to attract a country's best talent to public service.

64. Apart from sound recruitment practices, low levels of performance can sometimes arise if good placement and career development opportunities are lacking.[50] Moreover, if civil service practices are perceived as unclear and questions arise about institutional quality,[51] merit-based human resources management and competitive salaries can become disassociated from economic growth.[52] These phenomena can be a strong indicator of the absence of integrated human resources management practices.

65. Integrated human resources management can be supported by an integrated management information system for personnel administration. High-income and middle-income countries in South-East Asia have typically applied information and communications technology in government, in particular in support of human resources management functions. But a key question is whether management information systems in the human resources management field support interoperability that enables such management functions performed by different organizational entities to be undertaken in a transparent and synchronized manner.

66. Given a situation in which many countries have decentralized human resources management functions to the local authorities while norms and standards are maintained by the central government, the interoperability of management information systems can reduce institutional barriers between the various levels and agencies of government in respect of decisions relating to personnel transfer and career development, as well as budgetary allocations. For Indonesia, Malaysia and the Philippines, whose public sector agencies are widely dispersed geographically and encompass a range of jurisdictions, management information systems have been helpful in the operationalization of integrated human resources management.

Balanced political and merit-based appointments

67. One of the main requirements for the success of a reform agenda in the pursuit of sustainable development is a merit-based civil service. With a merit-based system in place, all the necessary institutional and administrative settings for human resources management in the public sector are set up, performance is appraised in a structured way and public ethics are introduced. It is well known that meritocracy is associated with professionalism in the public service, good governance and high levels of performance. Human resources management administered by a civil service agency should be accompanied by the establishment of a civil service commission. All of these elements of human resources management can be found in many developing countries, although different trajectories have been followed in their realization.[53]

[51] Brösamle, "Civil service reform in developing countries" (see footnote 22).

[52] Peter Evans and James E. Rauch, "Bureaucracy and growth: a cross-national analysis of the effects of 'Weberian' state structures on economic growth", *American Sociological Review*, vol. 64, No. 5 (October 1999).

[53] Moon and Hwang, "The state of civil service systems in the Asia-Pacific region" (see footnote 22). Brösamle, "Civil service reform in developing countries" (see footnote 22); Kim, *Civil Service Systems and Civil Service Reforms* (see footnote 35). Berman, *Public Administration in Southeast Asia* (see footnote 22).

68. It is important to note that public organizations, in particular government agencies, are also not neutral entities as a matter of course. They are politically constructed and built upon the relationships between elected officials and their constituents, or even the public. When it comes to performance appraisal, political responsibility and accountability are usually expressed in terms of measurable indicators, in combination with desired policy goals. "Neutral" public servants are often unable to achieve policy goals established by political processes, since they tend to be insulated and have limited political responsibility of their own. The separation of politics and administration, essential in principle, is not often found in practice, especially in developing countries where elected and appointed officials tend to have a symbiotic relationship.

69. Given these tensions between the neutral meritocracy and the politicization of the administration, a balanced approach to civil service reform is suggested.[45] It has been found that striking a balance between a merit-based civil service system and political appointments maximizes the performance of competent public servants. Aside from giving more political responsibility to public servants, political appointments in combination with a merit-based system open avenues for greater flexibility and innovation on the part of public servants. This balanced approach might constitute a breakthrough in international best practices in civil service reform and could help improve practices in developing countries. In general, optimizing competencies and bureaucratic performance depends upon processes that underpin the selection of public servants for senior level and executive positions.

70. There arises the question of the applicability of these suggestions to efforts by developing countries to enhance competencies of public servants and, in this regard, two prerequisites are needed. First, the balanced approach proposed above should be managed in an open and transparent manner, regardless of which mechanism is used in selection. Only then can the qualifications of candidates for executive positions be subject to public scrutiny. Second, administrative procedures assuring the "autonomous professionalism" of public servants need to be assured in order to give public servants a sufficient degree of independence and discretion, as well as accountability for responding to emerging, politically established priorities. At the same time, a recourse mechanism must be in place that would allow public servants to question political directives that are against the law or in conflict with the constitution. These two prerequisites would enable public servants to put their competencies to use in a constructive and responsible manner, with appropriate protections in place.

Embedded public ethics

71. Policy prescriptions pertaining to civil service reform are sometimes imposed without regard to context.[54] That difficulty aside, even structural approaches to reform that are ideally suited to national conditions may not necessarily be effective in the face of strong resistance and entrenched interests. In such situations, a well-designed approach may not suffice. Here, ethics plays a valuable role in preventing corruption and addressing underperformance on the part of public servants. The questions of which system of ethics can address the problem, and how, become important.

[54] Brösamle, "Civil service reform in developing countries" (see footnote 22).

72. Borrowing from the logic of embedded autonomy,[55] public servants should stand firm in their resolve to maintain autonomy in administrative decision-making without isolating themselves from society. Rather than focus on developing a new code of conduct based on societal values, public servants need to identify important societal values and understand how they relate to sustainable development. Since historical trajectories matter in shaping the structural and cultural conditions of a country, circumstances that have led to corruption-prone institutions should be carefully considered. Drawing on the experiences of Hong Kong, China, the Republic of Korea and Singapore,[56] public values should be selectively embraced based on proven evidence that they have had a positive impact on development.

73. Embedded public ethics is essential to fostering incorruptibility and integrity on the part of public servants, enabling them to pursue the achievement of the Sustainable Development Goals in an effective manner. This approach complements common strategies, such as accountable discretion and integrity pacts, and "own-motion investigations" initiated by a government ombudsman to investigate certain aspects of public administration with a view to improving them.

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[55] Evans, *Embedded Autonomy* (see footnote 26).

[56] Robert E. Klitgaard, *Controlling Corruption* (Berkeley, California, University of California Press, 1998).